

## House Republican Press Release

April 27, 2006  
Press Office: 860-240-8700

### **Rep. Bacchiochi: Jobs Bill Will Boost Manufacturing**



A jobs bill that received final legislative approval Tuesday by the state House of Representatives will give Connecticut manufacturers some badly-needed tax relief that will help them compete more effectively with their counterparts elsewhere in the country and create and preserve jobs here, state Representative Penny Bacchiochi, R-52<sup>nd</sup> District, said today.

The measure (Senate Bill 702), which passed the House on a unanimous vote, was sent to Governor M. Jodi Rell to be signed into law. The bill provides exemptions from local property taxes designed to revitalize Connecticut's troubled manufacturing sector.

"Manufacturing in northeast Connecticut and elsewhere in the state has been struggling for several years. It is an industry that faces strong competition both from foreign companies and from U.S. firms located in the south and southwest," said Representative Bacchiochi, who co-sponsored the bill.

"By exempting all manufacturing machinery and equipment from local property taxes after a five-year phase-in (the full exemption takes effect in the 2011 assessment year), this measure significantly reduces one of the biggest costs of doing business in Connecticut for companies that use expensive machinery and equipment in their manufacturing processes," Representative Bacchiochi said.

The legislation requires the state to reimburse towns for 80 percent of the revenues they lose for manufacturing machinery and equipment exempted under the five-year exemption program, Representative Bacchiochi noted.

The bill also:

- Establishes a program to provide venture capital to newly established or expanding businesses in the early stages of developing new products and processes.
- Authorizes matching financial assistance for micro businesses that receive funding under two federal programs. Eligible businesses must be independently owned and operated and employ fewer than 50 full-time employees or have gross annual sales under \$5 million.
- Creates two grant programs to repay student loans for people who hold doctoral degrees and started working in Connecticut in an 'economically valuable field' after December 31, 2005 and for engineers who began working as engineers in Connecticut after December 31, 2005.
- Creates three pilot programs for certain middle school, high school and vocational-technical students to help them attain proficiency in mathematics and science and to prepare them for future employment with technology-related companies in Connecticut.